

## Greece enacts changes in the recently established Grid Connection Offers Priority Regime

Just a few months after the initial grid priorities regime was introduced on the basis of the provisions of Law 4951/2022, several amendments were inaugurated by virtue of a Decision of the Minister of Environment and Energy enacted on 20 January 2023<sup>1</sup> (the New Grid Priority MD). The New Grid Priority MD provides inter alia, for the enhanced capacity for the application of Power Purchase Agreements (the PPAs), incentives to storage projects, and adjustments to the capacity of specific prioritisation categories.

The main changes introduced by the **New Grid Priority MD**, are as follows:

 It amends the provided capacity for projects falling into prioritisation subcategories A4, A6a, A9 and A10, category B, and subcategories C3, C4 and C6, while modifying curtailment and the limitation of capacity for projects subject to subcategory A5 (i.e., RES projects with built in electricity stations). It should be noted that, especially for stations falling into category B that will conclude or have already concluded PPAs, the available capacity has been massively increased

- from 1,500 to 4,000 MW, allowing thus for the further deployment of PPA related investment plans (e.g., with industrial consumers).
- It adds a brand-new prioritisation subcategory numbered A6b, while renaming existing subcategory A6 into subcategory A6a. New A6b subcategory provides for a capacity of 250 MW and a curtailment percentage of 20%, solely for wind farms adjacent to the Greek borders (up to 30 km).
- It introduces adjustments to the process of examining applications for a Final Grid Connection Offer (the FGCO) by IPTO by providing for the

<sup>&</sup>lt;sup>1</sup> Ministerial Decision ΥΠΕΝ/ΔΑΠΕΕΚ/7062/374 (Government Gazette 275B'/20.01.2023)

parallel examination of applications. Specifically, the applications for FGCO for projects falling into subcategories A3 and A4 will be examined in parallel to each other, while applications for the projects that have concluded PPAs will be interchangeably examined with the projects falling into category C for a defined maximum capacity. In doing so, IPTO will grant FGCOs for up to 500MW to projects covered by PPAs before it proceeds to the examination of the projects subject to subcategory C1. Standalone battery storage projects which do not affect the injection of energy produced by RES stations into the grid are examined in parallel with the projects fallen in category B (PPAs) and in priority over categories C, D, E, and F.

- It introduces special provisions for the projects characterised as 'strategic investment' and fall in subcategory A2.
- Finally, it should be marked that while in general, the letter of guarantee (the Priority LoG) must be submitted with the acceptance of the FGCO, under the New Grid Priority MD projects of category B (PPAs) are allowed to submit their Priority LoGs within six months from the issuance of the FGCO. Notably, the project holders of category B which are receiving FGCOs, are required to replace the already submitted LoGs with the updated form provided in the New Grid Priority MD, until the acceptance of the FGCO.

It is reminded that the original priorities' regime issued last August<sup>2</sup> set forth the conditions and priority order under which applications for FGCOs are to be examined. In particular, the granting of FGCOs was prioritised based on specific categories and subcategories depending on their geographical location, capacity, and technology used by the project. Furthermore, the issuance of the FGCOs on a priority basis was coupled with a mandatory capacity curtailment (set for most categories at 20%), calculated against the project's maximum installed capacity as stated in the producer's certificate. Importantly for potential investors, the priority regime provided also for the obligation of project owners to submit a Priority LoG, at the time of acceptance of the proposed FGCO, for maintaining the priority granted.

 $<sup>^2</sup>$  Ministerial Decision YΠΕΝ/ΓΔΕ/84014/7123 (Government Gazette 4333B'/12.8.2022)

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